GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:3883
ANSWERED ON:30.04.2007
NEW GUIDELINES FOR DROUGHT RELIEF
Bishnoi Shri Jaswant Singh;Deshmukh Shri Subhash Sureshchandra;Patel Shri Jivabhai Ambalal;Prasad Shri Hari Kewal;Singh Shri Dushyant;Solanki Shri Bhupendrasinh Prabhatsinh;Thakkar Smt. Jayaben B.

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the State Governments particularly Rajasthan have requested to the Union Government to increase fund allocation to meet the drought situation in the States;

(b) if so, the details thereof and the steps taken thereon;

(c) whether the Government has issued new guidelines to provide relief to drought affected States in which there is the provision of one time waiving of payment of interest on loan taken for kharif crops, increasing the limit of agriculture investment subsidy and providing additional assistance to these States; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a) & (b): There is ready availability of funds with the States under Calamity Relief Fund (CRF) to take necessary measures in the wake of natural calamities including drought. Additional assistance, over and above CRF, is considered from the National Calamity Contingency Fund (NCCF), if necessary, for natural calamities of severe nature, in accordance with an established procedure, on submission of a Memorandum for assistance from the NCCF by the State Government. During 2006-07, while Rajasthan declared parts of the State as drought affected, no Memorandum seeking assistance from the NCCF has been received from the State Government. The State Government, however, requested for release of 5.04 lakh MTs of wheat for taking up drought relief employment works during January to June, 2007. 1 lakh MTs of wheat has already been released to the State under the special component of Sampoorna Grameen Rozgar Yojana (SGRY) scheme.

(c) & (d): There are standing instructions from the RBI to the banks for providing credit related relief to the farmers in the event of natural calamities. The focus of these measures is on the conversion of short- term loans into medium term loans and reschedulement thereof to enable farmers to get fresh loans to carry on their agricultural operations. Further, in order to provide appropriate relief to the chronic defaulting farmers who are unable to repay the principal amount together with accumulated interest due to circumstances beyond their control, banks have been advised to consider the possibility of one time settlement of such overdue which may include partial waiver of loan/interest.